County of El Dorado

BOARD OF SUPERVISORS

CINDY KECK......CLERK OF THE BOARD

April 10, 2007

Jeff Hershkowitz, President and Acting CEO EcoKat Applied Technologies P.O. Box 6847 Incline Village, NV 89450

Dear Mr. Hershkowitz:

330 FAIR LANE PLACERVILLE, CA 95667 TELEPHONE (530 621-5390 FAX NO. (530) 622-3645





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El Dorado County representatives have met with you recently to better understand the unique technology your company is introducing to the United States via Germany (Alpha Kat, GmBh.) that utilizes all organic material such as fats, oils, grease and plastics, as feed stock to produce a low or no sulphur diesel. It is anticipated that future application of this technology may be utilized for Municipal Solid Waste (MSW), therefore, reducing landfill dependency and increasing the County's diversion rate while offering a sustainable fuel source.

The purpose of this letter is to inform you of the county's willingness to research the possibilities of providing a site and facilitating the use of feed stock for this purpose.

The County understands that in order to move forward with your project you will need to secure a 1/2 to one acre site on which to locate your plant, preferably with fuel storage tanks available. In order to minimize costs, the site ideally would be located in close proximity to sources of required feed stock.

Based upon the information you have provided, the County believes that the technology you propose holds the potential for substantial benefit to the public generally and to local agencies charged with the management of MSW. Therefore, we are willing to take steps to facilitate your effort to analyze and demonstrate the viability of your technology, and in particular its ability to produce a clean diesel fuel from waste and recyclable materials. Specifically, the County is willing to explore the possibility of making an appropriate County-owned site available for such a project. Of course, the County cannot make a commitment at this point to make such a site available. Any such action first would depend upon the County being able to identify the availability of such a site where your project would not adversely affect County operations. In addition, any such decision to make such property available could only occur after full compliance with any applicable legal requirements including, but not limited to, any required environmental review, public notice and hearing requirements, and any competitive process that may be required for the disposition of real property by the County.

If you believe it may be feasible to use a privately owned site for your project, the County would be happy to facilitate your communication with any owners of such property. It would be your responsibility to negotiate with the owner of the property any agreement with respect to the use of the property.

In addition to facilitating your search for a site, we are willing to make efforts to facilitate your identification of and communication with potential sources of feed stock for your operation. It is our understanding that the feed stock may include a wide variety of materials such as waste oil, grease and plastics, as well as MSW. Feed

stock may be available from a wide variety of sources ranging from private parties seeking to dispose of such materials to local agencies responsible for the disposition of MSW. As indicated, we are willing to help you identify potential sources of feed stock and facilitate your communication with those sources. Again, it would be your responsibility to negotiate any appropriate agreements with those sources.

Any efforts to secure sources of feed stock must be in compliance with all legal requirements. Particularly with respect to MSW, you should be aware that the handling and disposition of MSW is extensively regulated and that the County currently has in effect several franchises with private companies for the collection and disposition of MSW. Any efforts by the County to facilitate your acquisition of feed stock would have to be in full compliance with those regulations and franchises.

It is clear that we share several mutual goals that may be advanced by your technology. They include a desire to become a zero-waste county and a leader in promoting environmentally beneficial industry, to promote efforts to reduce harmful air emissions, and to be a leader in the State of California and the United States in introducing ground-breaking technology capable of moving us toward those goals. We look forward to working with you to make these public benefits a reality.